



February 16, 2007

SENATE BILL No. 506

DIGEST OF SB 506 (Updated February 13, 2007 1:11 pm - DI 71)

Citations Affected: IC 25-1; IC 25-30; noncode.

Synopsis: Private investigator and security guard licensing. Changes the detective license law to the private investigator firm license law and the security guard agency license law. Removes exemptions concerning armored services agencies, owners of industrial plants, and retail merchants from the private investigator firm license laws. Removes one year residency requirement to obtain a license as a private investigator firm. Requires a pocket card to be issued to a licensed private investigator firm and a licensed security guard agency. Establishes: (1) the private investigator and security guard licensing board; and (2) requirements for security guard agency licensing. Changes a Class A infraction to a Class A misdemeanor for certain violations of the private investigator and security guard agency licensing laws. Makes conforming changes. Repeals provisions concerning: (1) the private detective licensing laws application to certain law enforcement officers; and (2) the establishment of the private detectives licensing board.

Effective: July 1, 2007.

Merritt, Wyss, Rogers

January 23, 2007, read first time and referred to Committee on Homeland Security,
Transportation & Veterans Affairs.
February 15, 2007, amended, reported favorably — Do Pass.

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SB 506—LS 7601/DI 110+



February 16, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

SENATE BILL No. 506

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 25-1-2-6 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) As used in this section,
3 "license" includes all occupational and professional licenses,
4 registrations, permits, and certificates issued under the Indiana Code,
5 and "licensee" includes all occupational and professional licensees,
6 registrants, permittees, and certificate holders regulated under the
7 Indiana Code.

8 (b) This section applies to the following entities that regulate
9 occupations or professions under the Indiana Code:

- 10 (1) Indiana board of accountancy.
- 11 (2) Indiana grain buyers and warehouse licensing agency.
- 12 (3) Indiana auctioneer commission.
- 13 (4) Board of registration for architects and landscape architects.
- 14 (5) State board of barber examiners.
- 15 (6) State board of cosmetology examiners.
- 16 (7) Medical licensing board of Indiana.
- 17 (8) Secretary of state.

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- 1 (9) State board of dentistry.
- 2 (10) State board of funeral and cemetery service.
- 3 (11) Worker's compensation board of Indiana.
- 4 (12) Indiana state board of health facility administrators.
- 5 (13) Committee of hearing aid dealer examiners.
- 6 (14) Indiana state board of nursing.
- 7 (15) Indiana optometry board.
- 8 (16) Indiana board of pharmacy.
- 9 (17) Indiana plumbing commission.
- 10 (18) Board of podiatric medicine.
- 11 (19) Private ~~detectives~~ **investigator and security guard** licensing
- 12 board.
- 13 (20) State board of registration for professional engineers.
- 14 (21) Board of environmental health specialists.
- 15 (22) State psychology board.
- 16 (23) Indiana real estate commission.
- 17 (24) Speech-language pathology and audiology board.
- 18 (25) Department of natural resources.
- 19 (26) State boxing commission.
- 20 (27) Board of chiropractic examiners.
- 21 (28) Mining board.
- 22 (29) Indiana board of veterinary medical examiners.
- 23 (30) State department of health.
- 24 (31) Indiana physical therapy committee.
- 25 (32) Respiratory care committee.
- 26 (33) Occupational therapy committee.
- 27 (34) Social worker, marriage and family therapist, and mental
- 28 health counselor board.
- 29 (35) Real estate appraiser licensure and certification board.
- 30 (36) State board of registration for land surveyors.
- 31 (37) Physician assistant committee.
- 32 (38) Indiana dietitians certification board.
- 33 (39) Indiana hypnotist committee.
- 34 (40) Attorney general (only for the regulation of athlete agents).
- 35 (41) Manufactured home installer licensing board.
- 36 (42) Home inspectors licensing board.
- 37 (43) Any other occupational or professional agency created after
- 38 June 30, 1981.
- 39 (c) Notwithstanding any other law, the entities included in
- 40 subsection (b) shall send a notice of the upcoming expiration of a
- 41 license to each licensee at least sixty (60) days prior to the expiration
- 42 of the license. The notice must inform the licensee of the need to renew

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and the requirement of payment of the renewal fee. If this notice of expiration is not sent by the entity, the licensee is not subject to a sanction for failure to renew if, once notice is received from the entity, the license is renewed within forty-five (45) days of the receipt of the notice.

SECTION 2. IC 25-1-4-0.3, AS AMENDED BY P.L.157-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 0.3. As used in ~~section 3~~ of this chapter, "board" means any of the following:

- (1) Indiana board of accountancy (IC 25-2.1-2-1).
- (2) Board of registration for architects and landscape architects (IC 25-4-1-2).
- (3) Indiana athletic trainers board (IC 25-5.1-2-1).
- (4) Indiana auctioneer commission (IC 25-6.1-2-1).
- (5) State board of barber examiners (IC 25-7-5-1).
- (6) State boxing commission (IC 25-9-1).
- (7) Board of chiropractic examiners (IC 25-10-1).
- (8) State board of cosmetology examiners (IC 25-8-3-1).
- (9) State board of dentistry (IC 25-14-1).
- (10) Indiana dietitians certification board (IC 25-14.5-2-1).
- (11) State board of registration for professional engineers (IC 25-31-1-3).
- (12) Board of environmental health specialists ~~(IC 25-32-1)~~ **(IC 25-32-1)**.
- (13) State board of funeral and cemetery service (IC 25-15-9).
- (14) Indiana state board of health facility administrators (IC 25-19-1).
- (15) Committee on hearing aid dealer examiners (IC 25-20-1-1.5).
- (16) Home inspectors licensing board (IC 25-20.2-3-1).
- (17) Indiana hypnotist committee (IC 25-20.5-1-7).
- (18) State board of registration for land surveyors (IC 25-21.5-2-1).
- (19) Manufactured home installer licensing board (IC 25-23.7).
- (20) Medical licensing board of Indiana (IC 25-22.5-2).
- (21) Indiana state board of nursing (IC 25-23-1).
- (22) Occupational therapy committee (IC 25-23.5).
- (23) Indiana optometry board (IC 25-24).
- (24) Indiana board of pharmacy (IC 25-26).
- (25) Indiana physical therapy committee (IC 25-27-1).
- (26) Physician assistant committee (IC 25-27.5).
- (27) Indiana plumbing commission (IC 25-28.5-1-3).
- (28) Board of podiatric medicine (IC 25-29-2-1).

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(29) Private ~~detectives~~ **investigator and security guard** licensing board (~~IC 25-30-1-5.1~~). **(IC 25-30-1-5.2).**

(30) State psychology board (IC 25-33).

(31) Indiana real estate commission (IC 25-34.1-2).

(32) Real estate appraiser licensure and certification board (IC 25-34.1-8).

(33) Respiratory care committee (IC 25-34.5).

(34) Social worker, marriage and family therapist, and mental health counselor board (IC 25-23.6).

(35) Speech-language pathology and audiology board (IC 25-35.6-2).

(36) Indiana board of veterinary medical examiners (IC 15-5-1.1).

SECTION 3. IC 25-1-6-3, AS AMENDED BY P.L.206-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) The licensing agency shall perform all administrative functions, duties, and responsibilities assigned by law or rule to the executive director, secretary, or other statutory administrator of the following:

(1) Indiana board of accountancy (IC 25-2.1-2-1).

(2) Board of registration for architects and landscape architects (IC 25-4-1-2).

(3) Indiana auctioneer commission (IC 25-6.1-2-1).

(4) State board of barber examiners (IC 25-7-5-1).

(5) State boxing commission (IC 25-9-1).

(6) State board of cosmetology examiners (IC 25-8-3-1).

(7) State board of funeral and cemetery service (IC 25-15-9).

(8) State board of registration for professional engineers (IC 25-31-1-3).

(9) Indiana plumbing commission (IC 25-28.5-1-3).

(10) Indiana real estate commission (IC 25-34.1).

(11) Real estate appraiser licensure and certification board (IC 25-34.1-8-1).

(12) Private ~~detectives~~ **investigator and security guard** licensing board (~~IC 25-30-1-5.1~~). **(IC 25-30-1-5.2).**

(13) State board of registration for land surveyors (IC 25-21.5-2-1).

(14) Manufactured home installer licensing board (IC 25-23.7).

(15) Home inspectors licensing board (IC 25-20.2-3-1).

(b) Nothing in this chapter may be construed to give the licensing agency policy making authority, which remains with each board.

SECTION 4. IC 25-1-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. As used in this chapter:

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"Board" means the appropriate agency listed in the definition of regulated occupation in this section.

"Director" refers to the director of the division of consumer protection.

"Division" refers to the division of consumer protection, office of the attorney general.

"Licensee" means a person who is:

(1) licensed, certified, or registered by a board listed in this section; and

(2) the subject of a complaint filed with the division.

"Person" means an individual, a partnership, a limited liability company, or a corporation.

"Regulated occupation" means an occupation in which a person is licensed, certified, or registered by one (1) of the following:

(1) Indiana board of accountancy (IC 25-2.1-2-1).

(2) Board of registration for architects and landscape architects (IC 25-4-1-2).

(3) Indiana auctioneer commission (IC 25-6.1-2-1).

(4) State board of barber examiners (IC 25-7-5-1).

(5) State boxing commission (IC 25-9-1).

(6) Board of chiropractic examiners (IC 25-10-1).

(7) State board of cosmetology examiners (IC 25-8-3-1).

(8) State board of dentistry (IC 25-14-1).

(9) State board of funeral and cemetery service (IC 25-15-9).

(10) State board of registration for professional engineers (IC 25-31-1-3).

(11) Indiana state board of health facility administrators (IC 25-19-1).

(12) Medical licensing board of Indiana (IC 25-22.5-2).

(13) Indiana state board of nursing (IC 25-23-1).

(14) Indiana optometry board (IC 25-24).

(15) Indiana board of pharmacy (IC 25-26).

(16) Indiana plumbing commission (IC 25-28.5-1-3).

(17) Board of podiatric medicine (IC 25-29-2-1).

(18) Board of environmental health specialists (IC 25-32-1).

(19) State psychology board (IC 25-33).

(20) Speech-language pathology and audiology board (IC 25-35.6-2).

(21) Indiana real estate commission (IC 25-34.1-2).

(22) Indiana board of veterinary medical examiners (IC 15-5-1.1).

(23) Department of natural resources for purposes of licensing water well drillers under IC 25-39-3.

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- (24) Respiratory care committee (IC 25-34.5).
- (25) Private ~~detectives~~ **investigator and security guard** licensing board (~~IC 25-30-1-5.1~~): **(IC 25-30-1-5.2)**.
- (26) Occupational therapy committee (IC 25-23.5).
- (27) Social worker, marriage and family therapist, and mental health counselor board (IC 25-23.6).
- (28) Real estate appraiser licensure and certification board (IC 25-34.1-8).
- (29) State board of registration for land surveyors (IC 25-21.5-2-1).
- (30) Physician assistant committee (IC 25-27.5).
- (31) Indiana athletic trainers board (IC 25-5.1-2-1).
- (32) Indiana dietitians certification board (IC 25-14.5-2-1).
- (33) Indiana hypnotist committee (IC 25-20.5-1-7).
- (34) Indiana physical therapy committee (IC 25-27).
- (35) Manufactured home installer licensing board (IC 25-23.7).
- (36) Home inspectors licensing board (IC 25-20.2-3-1).
- (37) Any other occupational or professional agency created after June 30, 1981.

SECTION 5. IC 25-1-8-1 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 2007]: Sec. 1. As used in this chapter, "board" means any of the following:

- (1) Indiana board of accountancy (IC 25-2.1-2-1).
- (2) Board of registration for architects and landscape architects (IC 25-4-1-2).
- (3) Indiana auctioneer commission (IC 25-6.1-2-1).
- (4) State board of barber examiners (IC 25-7-5-1).
- (5) State boxing commission (IC 25-9-1).
- (6) Board of chiropractic examiners (IC 25-10-1).
- (7) State board of cosmetology examiners (IC 25-8-3-1).
- (8) State board of dentistry (IC 25-14-1).
- (9) State board of funeral and cemetery service (IC 25-15).
- (10) State board of registration for professional engineers (IC 25-31-1-3).
- (11) Indiana state board of health facility administrators (IC 25-19-1).
- (12) Medical licensing board of Indiana (IC 25-22.5-2).
- (13) Mining board (IC 22-10-1.5-2).
- (14) Indiana state board of nursing (IC 25-23-1).
- (15) Indiana optometry board (IC 25-24).
- (16) Indiana board of pharmacy (IC 25-26).
- (17) Indiana plumbing commission (IC 25-28.5-1-3).

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- 1 (18) Board of environmental health specialists (IC 25-32-1).
- 2 (19) State psychology board (IC 25-33).
- 3 (20) Speech-language pathology and audiology board
- 4 (IC 25-35.6-2).
- 5 (21) Indiana real estate commission (IC 25-34.1-2-1).
- 6 (22) Indiana board of veterinary medical examiners
- 7 (IC 15-5-1.1-3).
- 8 (23) Department of insurance (IC 27-1).
- 9 (24) State police department (IC 10-11-2-4), for purposes of
- 10 certifying polygraph examiners under IC 25-30-2.
- 11 (25) Department of natural resources for purposes of licensing
- 12 water well drillers under IC 25-39-3.
- 13 (26) Private ~~detectives investigator and security guard~~ licensing
- 14 board ~~(IC 25-30-1-5.1)~~. **(IC 25-30-1-5.2).**
- 15 (27) Occupational therapy committee (IC 25-23.5-2-1).
- 16 (28) Social worker, marriage and family therapist, and mental
- 17 health counselor board (IC 25-23.6-2-1).
- 18 (29) Real estate appraiser licensure and certification board
- 19 (IC 25-34.1-8).
- 20 (30) State board of registration for land surveyors
- 21 (IC 25-21.5-2-1).
- 22 (31) Physician assistant committee (IC 25-27.5).
- 23 (32) Indiana athletic trainers board (IC 25-5.1-2-1).
- 24 (33) Board of podiatric medicine (IC 25-29-2-1).
- 25 (34) Indiana dietitians certification board (IC 25-14.5-2-1).
- 26 (35) Indiana physical therapy committee (IC 25-27).
- 27 (36) Manufactured home installer licensing board (IC 25-23.7).
- 28 (37) Home inspectors licensing board (IC 25-20.2-3-1).
- 29 (38) Any other occupational or professional agency created after
- 30 June 30, 1981.

31 SECTION 6. IC 25-1-8-6, AS AMENDED BY P.L.157-2006,
 32 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2007]: Sec. 6. (a) As used in this section, "board" means any
 34 of the following:

- 35 (1) Indiana board of accountancy (IC 25-2.1-2-1).
- 36 (2) Board of registration for architects and landscape architects
- 37 (IC 25-4-1-2).
- 38 (3) Indiana athletic trainers board (IC 25-5.1-2-1).
- 39 (4) Indiana auctioneer commission (IC 25-6.1-2-1).
- 40 (5) State board of barber examiners (IC 25-7-5-1).
- 41 (6) State boxing commission (IC 25-9-1).
- 42 (7) Board of chiropractic examiners (IC 25-10-1).



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- (8) State board of cosmetology examiners (IC 25-8-3-1).
- (9) State board of dentistry (IC 25-14-1).
- (10) Indiana dietitians certification board (IC 25-14.5-2-1).
- (11) State board of registration for professional engineers (IC 25-31-1-3).
- (12) Board of environmental health specialists (IC 25-32-1).
- (13) State board of funeral and cemetery service (IC 25-15-9).
- (14) Indiana state board of health facility administrators (IC 25-19-1).
- (15) Committee on hearing aid dealer examiners (IC 25-20-1-1.5).
- (16) Home inspectors licensing board (IC 25-20.2-3-1).
- (17) Indiana hypnotist committee (IC 25-20.5-1-7).
- (18) State board of registration for land surveyors (IC 25-21.5-2-1).
- (19) Manufactured home installer licensing board (IC 25-23.7).
- (20) Medical licensing board of Indiana (IC 25-22.5-2).
- (21) Indiana state board of nursing (IC 25-23-1).
- (22) Occupational therapy committee (IC 25-23.5).
- (23) Indiana optometry board (IC 25-24).
- (24) Indiana board of pharmacy (IC 25-26).
- (25) Indiana physical therapy committee (IC 25-27).
- (26) Physician assistant committee (IC 25-27.5).
- (27) Indiana plumbing commission (IC 25-28.5-1-3).
- (28) Board of podiatric medicine (IC 25-29-2-1).
- (29) Private ~~detectives investigator and security guard~~ licensing board ~~(IC 25-30-1-5.1)~~ **(IC 25-30-1-5.2)**.
- (30) State psychology board (IC 25-33).
- (31) Indiana real estate commission (IC 25-34.1-2).
- (32) Real estate appraiser licensure and certification board (IC 25-34.1-8).
- (33) Respiratory care committee (IC 25-34.5).
- (34) Social worker, marriage and family therapist, and mental health counselor board (IC 25-23.6).
- (35) Speech-language pathology and audiology board (IC 25-35.6-2).
- (36) Indiana board of veterinary medical examiners (IC 15-5-1.1).

(b) This section does not apply to a license, certificate, or registration that has been revoked or suspended.

(c) Notwithstanding any other law regarding the reinstatement of a delinquent or lapsed license, certificate, or registration, the holder of a license, certificate, or registration that was issued by the board that is three (3) years or less delinquent must be reinstated upon meeting

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the following requirements:

- (1) Submission of the holder's completed renewal application.
- (2) Payment of the current renewal fee established by the board under section 2 of this chapter.
- (3) Payment of a reinstatement fee established by the Indiana professional licensing agency.
- (4) If a law requires the holder to complete continuing education as a condition of renewal, the holder shall provide the board with a sworn statement, signed by the holder, that the holder has fulfilled the continuing education requirements required by the board for the current renewal period.

(d) Notwithstanding any other law regarding the reinstatement of a delinquent or lapsed license, certificate, or registration, unless a statute specifically does not allow a license, certificate, or registration to be reinstated if it has lapsed for more than three (3) years, the holder of a license, certificate, or registration that was issued by the board that is more than three (3) years delinquent must be reinstated upon meeting the following requirements:

- (1) Submission of the holder's completed renewal application.
- (2) Payment of the current renewal fee established by the board under section 2 of this chapter.
- (3) Payment of a reinstatement fee equal to the current initial application fee.
- (4) If a law requires the holder to complete continuing education as a condition of renewal, the holder shall provide the board with a sworn statement, signed by the holder, that the holder has fulfilled the continuing education requirements required by the board for the current renewal period.
- (5) Complete such remediation and additional training as deemed appropriate by the board given the lapse of time involved.
- (6) Any other requirement that is provided for in statute or rule that is not related to fees.

SECTION 7. IC 25-1-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. As used in this chapter, "board" means any of the following:

- (1) Indiana board of accountancy (IC 25-2.1-2-1).
- (2) Board of registration for architects and landscape architects (IC 25-4-1-2).
- (3) Indiana auctioneer commission (IC 25-6.1-2).
- (4) State board of barber examiners (IC 25-7-5-1).
- (5) State boxing commission (IC 25-9-1).
- (6) State board of cosmetology examiners (IC 25-8-3-1).

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- (7) State board of registration of land surveyors (IC 25-21.5-2-1).
- (8) State board of funeral and cemetery service (IC 25-15-9).
- (9) State board of registration for professional engineers (IC 25-31-1-3).
- (10) Indiana plumbing commission (IC 25-28.5-1-3).
- (11) Indiana real estate commission (IC 25-34.1-2-1).
- (12) Real estate appraiser licensure certification board (IC 25-34.1-8).
- (13) ~~Private detectives~~ **investigator and security guard** licensing board ~~(IC 25-30-1-5.1)~~ **(IC 25-30-1-5.2)**.
- (14) Manufactured home installer licensing board (IC 25-23.7).
- (15) Home inspectors licensing board (IC 25-20.2-3-1).

SECTION 8. IC 25-30-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. This chapter may be cited as the ~~"Detective License Law."~~ **"Private Investigator Firm License Law"**.

SECTION 9. IC 25-30-1-2, AS AMENDED BY P.L.1-2006, SECTION 474, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. As used in this chapter:

- (1) "Person" means an individual, a firm, a company, an association, an organization, a partnership, or a corporation.
- (2) "Licensee" means a person licensed under this chapter.
- ~~(3) "Private detective" means a person who conducts a private detective business with or without the assistance of an employee.~~
- ~~(4)~~ **(3) "Private detective business" investigator firm** means the business of:
 - (A) making, for hire or reward, investigation or investigations for the purpose of obtaining information with reference to:
 - (i) a crime against the state or wrongs done or threatened;
 - (ii) the habits, conduct, movements, whereabouts, association, transactions, reputation, or character of a person;
 - (iii) credibility of witnesses or other persons;
 - (iv) the location or recovery of lost, **abandoned, unclaimed,** or stolen property;
 - (v) the causes, origin, or responsibility for fires or accidents or injuries to real or personal property; or
 - (vi) the truth or falsity of a statement or representation;
 - (B) securing, for hire or reward, evidence to be used for authorized investigation committees or boards of award or arbitration or in the trial of civil or criminal cases; or
 - ~~(C) furnishing;~~ **providing,** for hire or reward, ~~a guard or~~

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guards or other persons to protect persons or property or to prevent the misappropriation or concealment of goods, wares and merchandise, money, bonds, stocks, choses in action, notes, or other valuable documents or papers: **undercover investigators to detect and prevent fraud and theft in the workplace or elsewhere.**

(5) "Industrial plant" means a factory, business, or concern that is engaged primarily in the manufacture or assembly of goods or the processing of raw materials, or both.

~~(6)~~ (4) "Board" refers to the private ~~detectives~~ **licensing investigator and security guard** board established under section ~~5-1~~ **5.2** of this chapter.

~~(7)~~ (5) "Licensing agency" refers to the Indiana professional licensing agency established under IC 25-1-5-3.

(8) "Resident" means a person who has established an actual domicile in Indiana.

(6) "Business entity" means a firm, a company, an association, an organization, a partnership, or a corporation.

SECTION 10. IC 25-30-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. It shall be unlawful for a person ~~partnership, or corporation~~ to:

(1) engage in the business of private ~~detective~~; or ~~to~~ **as a private investigator firm;**

(2) solicit or advertise for business as a private ~~detective~~; **investigator firm;** or

(3) represent or hold the person ~~partnership, or corporation~~ out to ~~be as a private detective~~ **investigator firm;**

unless the person ~~partnership, or corporation~~ is licensed **as a private investigator firm** under this chapter and complies with this chapter and rules adopted under this chapter.

SECTION 11. IC 25-30-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. This chapter does not require any of the following persons to be a licensee:

(1) A law enforcement officer of the United States, a state, or a political subdivision of a state to the extent that the officer or employee is engaged in the performance of the officer's or employee's official duties.

(2) Any person to the extent that the person is engaged in the business of furnishing and obtaining information concerning the financial rating of other persons.

(3) A collection agency licensed by the secretary of state or its employee acting within the scope of the employee's employment,

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to the extent that the person is making an investigation incidental to the business of the agency, including an investigation of the location of a debtor or a debtor's assets in a property that the client has an interest in or a lien upon.

~~(4)~~ An armored service agency to the extent that the agency is engaged in the business of transporting property to prevent the theft or unlawful taking of goods, wares, merchandise, or money.

~~(5)~~ (4) An attorney or employee of an attorney to the extent that the person is engaged in investigative matters incident to the delivery of professional services that constitute the practice of law.

~~(6)~~ (5) An insurance adjuster to the extent that the adjuster is employed in the investigation and settlement of claims made against insurance companies or persons insured by insurance companies if the adjuster is a regular employee of the insurance company and the insurance company is authorized to do business in Indiana and is complying with the laws regulating insurance companies in Indiana.

~~(7)~~ Any employee to the extent that the employee is hired for the purpose of guarding and protecting the properties of railroad companies and is licensed as a railroad policeman under IC 8-3-17.

~~(8)~~ An owner of an industrial plant or an employee of the owner to the extent that the person is hiring a plant security guard for the owner's industrial plant.

~~(9)~~ (6) A person primarily engaged in the business of furnishing information for:

(A) business decisions and transactions in connection with credit, employment, or marketing; or

(B) insurance **underwriting** purposes.

including a consumer reporting agency as defined by the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.).

~~(10)~~ A retail merchant or an employee of the retail merchant to the extent that the person is hiring a security guard for the retail merchant's retail establishment.

~~(11)~~ (7) A professional engineer registered under IC 25-31 or a person acting under a registered professional engineer's supervision, to the extent the professional engineer is engaged in an investigation incident to the practice of engineering.

~~(12)~~ (8) An architect with a certificate of registration under IC 25-4, to the extent the architect is engaged in an investigation incident to the practice of architecture.

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~~(13)~~ (9) A land surveyor with a certificate of registration under IC 25-21.5, to the extent the land surveyor is engaged in an investigation incident to the practice of land surveying.

~~(14)~~ (10) A certified public accountant with a certificate under IC 25-2.1-3, to the extent that the person is engaged in an investigation incident to the practice of accountancy.

(11) An independent consultant employed by the attorney general under IC 32-34-1-48, to the extent that the independent consultant is engaged in providing services for the attorney general.

SECTION 12. IC 25-30-1-5.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 5.2. (a) The private investigator and security guard licensing board is established.**

(b) The board consists of:

(1) the superintendent of the state police department or the superintendent's designee; and

(2) the following six (6) members appointed by the governor from different geographic regions of Indiana as determined by the governor:

(A) Two (2) individuals who are associated with a private investigator firm licensed under this article.

(B) Two (2) individuals who are associated with a security guard agency licensed under this article.

(C) One (1) local law enforcement official.

(D) One (1) person who is not associated with the private investigator firm or security guard agency other than as a consumer.

(c) Each member of the board appointed by the governor shall serve a term of two (2) years.

(d) The governor may remove a board member appointed by the governor for incompetency or failure to perform the member's duties under this chapter.

(e) A vacancy in the membership of the board shall be filled by appointment by the governor for the unexpired term.

(f) Each member of the board who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Each member of the board is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

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SECTION 13. IC 25-30-1-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 6.5. (a) The board shall meet upon the call of the board president.**

(b) Four (4) members of the board constitute a quorum.

SECTION 14. IC 25-30-1-7, AS AMENDED BY P.L.194-2005, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) An application for ~~license~~ **licensure** as a private ~~detective investigator firm~~ must be on a form prescribed by the board accompanied by the license fee established by the board under IC 25-1-8.

(b) The application **for licensure as a private investigator firm** shall ~~be verified and shall~~ include the following:

(1) The full name and business address, **including street address**, of the applicant.

(2) The name under which the applicant intends to do business as a private ~~detective~~ **investigator firm**.

(3) ~~If the applicant is a person other than an individual~~, The full name and ~~residence~~ **residential** address of each of ~~its~~ **the private investigator firm's** members, partners, officers, ~~and~~ directors, and ~~its~~ managers.

(4) The proof of insurance required by section 15 of this chapter.

~~(4)~~ **(5)** Other information, evidence, statements, or documents required by the board.

SECTION 15. IC 25-30-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) ~~Before the application for a license is granted~~, the applicant must meet all of the following: **The board may not issue a private investigator firm license to an individual unless the individual:**

(1) ~~Be~~ **is** at least twenty-one (21) years of age; **and**

(2) ~~Be~~ **is** a resident of Indiana for at least one (1) year, except for firms, partnerships, or corporations that are licensed in another state and who otherwise comply with this chapter;

(3) ~~Have~~:

(A) experience in private detective work under a licensee; or its equivalent;

(B) law enforcement experience;

(C) a degree in criminal justice; or

(D) any other experience relevant to the private detective business;

as determined by the board.

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(2) demonstrates the necessary knowledge and skills, as determined by the board, to conduct a private investigator firm competently.

(b) If the applicant is a corporation or a partnership, The board may not issue a private investigator firm license to a business entity unless:

(1) one (1) officer in the case of a corporation; or

(2) one (1) partner in the case of a partnership;

~~must meet of the business entity meets~~ the personal qualifications as set out in subsection (a), unless otherwise provided.

(c) The board may deny a license unless the applicant makes a showing satisfactory to the board that the applicant ~~has not~~, or if a partnership or corporation, the applicant is a business entity, that the officer or partner in subsection (b): ~~has not~~:

(1) ~~has not~~ committed an act, which, if committed by a licensee would be ~~ground~~ grounds for the suspension or revocation of a license under this chapter;

(2) ~~has not~~ been convicted of a:

(A) felony; or

(B) a misdemeanor that has a direct bearing upon the applicant's ability to practice competently;

(3) ~~has not~~ been refused a license under this chapter or had a license revoked; or

(4) ~~has not~~ while unlicensed, committed, or aided and abetted commission of an act for which a license is required by this chapter;

(5) is not on probation or parole; or

(6) is not being sought under an active warrant against the applicant, officer, or partner.

SECTION 16. IC 25-30-1-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8.5. If a change in the ownership of a private investigator firm results in the failure to meet the qualifications set forth in section 8 of this chapter:

(1) the license of the private investigator firm terminates on the date the change in ownership is effective; and

(2) the private investigator firm must file a new application for a license as a private investigator firm with the board.

SECTION 17. IC 25-30-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) Upon the death of an individual licensed under this chapter, the ~~business~~ private investigator firm with which the decedent was connected may be

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carried on for a period of ninety (90) days **after the individual's death** by the following:

(1) In the case of an individual licensee the surviving spouse, or if there is no surviving spouse, the executor or administrator of the estate of the decedent.

(2) In **the** case of a partner, the surviving partners.

(3) In **the** case of an officer of ~~a firm; company; association; organization; or corporation;~~ **a business entity**, the other officers of ~~the firm; company; association; organization; or corporation;~~ **the business entity**.

(b) Upon the authorization of the board, the ~~business private investigator firm~~ may be carried on for a further period of time when necessary to complete an investigation or assist in litigation pending at the death of the decedent.

(c) Nothing in this section authorizes the solicitation or acceptance of business after the death of the decedent except as provided by this chapter.

(d) Nothing in this section shall be construed to restrict the sale of a private ~~detective business investigator firm~~ if the vendee qualifies for a license under this chapter.

SECTION 18. IC 25-30-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) A license, when issued, shall be in a form determined by the board and shall include the following:

(1) The **full** name of the licensee. ~~or the names of the individual partners if the licensee is a partnership; or the names of the officers and directors of the corporation if the licensee is a corporation.~~

(2) The name under which the licensee is to operate.

(3) **(2)** The number and **expiration** date of the license.

(4) Other information the board deems necessary.

(b) The license shall be posted in a conspicuous place in the principal place of business of the licensee.

(c) **(b)** Upon the issuance of a **private investigator firm** license, a pocket card of a design determined by the board shall be issued without charge to ~~each the licensee. other than a corporation.~~ If the licensee is a corporation or partnership, the pocket card must be issued to each officer, partner, and manager of the corporation or partnership who also meet the requirements under section 8 of this chapter. Each individual who is issued a pocket card under this subsection shall affix an appropriate picture to the pocket card, and in addition to the picture the pocket card shall also contain a fingerprint of the forefinger of the

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licensee. When a license is revoked, the pocket card shall be surrendered and, **within not later than** five (5) days after revocation, shall be mailed or delivered by the licensee to the board for cancellation.

(d) The board shall furnish each of the licensee's employees, except office employees, with an identification card. The identification card shall contain a recent picture of the employee; the employee's name; the licensee's name and address; the license number of the employee's employer; and a thumbprint of the employee. The licensee shall affix each employee's picture and thumbprint to the identification card.

(e) (c) A licensee licensed private investigator firm shall, within not later than thirty (30) days after a change, notify the board of any changes of to the:

(1) licensee's address; of the

(2) name under which the licensee does business; and of a change of the

(3) licensee's officers, directors, members, or partners.

(f) (d) A license issued under this chapter is not assignable and is personal to the licensee.

(e) A licensee shall present, upon the request of a client, a pocket card license that indicates the:

(1) license is active; and

(2) licensee is in good standing.

SECTION 19. IC 25-30-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) A licensee may employ, to assist the licensee in the licensee's business as a private ~~detective~~, **investigator firm**, as many unlicensed persons as may be necessary. The licensee is civilly responsible for the good conduct of ~~an employee~~ **all employees** while the ~~employee is unlicensed persons~~ **are** acting on behalf of the licensee.

(b) A licensee shall maintain a record, relative to the licensee's employees, containing the following information:

(1) A picture taken within thirty (30) days of the date that the employee commences employment with the licensee.

(2) A full set of fingerprints of both hands of the employee.

(c) A licensed private investigator firm shall, at the board's request, provide the board with a roster of all unlicensed individuals employed by the private investigator firm.

SECTION 20. IC 25-30-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. (a) It shall be unlawful for a person licensed by any other state to do business in Indiana unless the person is **licensed and** authorized to do business in

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Indiana. A person may not do business in Indiana until the person is licensed with the board and meets the requirements for licensees of this state. ~~except the residence requirement of one (1) year.~~ In addition, an out-of-state person must prove to the board that the person is in good standing in the state the person was issued a license.

(b) ~~A person licensed under this section must have a resident licensee:~~

(1) ~~whose name and license number appear on the license for the private detective business; and~~

(2) ~~who, in writing to the board, assumes full responsibility for the following:~~

(A) ~~All the employees of the private detective business.~~

(B) ~~Maintaining all records required under this chapter in an Indiana location.~~

(C) ~~Assuring compliance with this chapter.~~

(c) ~~The resident licensee is responsible for informing the board, in writing, of the following:~~

(1) ~~When the relationship with an out-of-state licensee is terminated.~~

(2) ~~Where records are maintained by the resident licensee.~~

(d) ~~This section does not relieve a licensee of responsibility for complying with this chapter.~~

SECTION 21. IC 25-30-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) An applicant for a private detective investigator firm license ~~who employs more than fourteen (14) others must shall~~ submit proof to the board that the applicant is insured by an insurance company authorized to do business in Indiana for the amount of one hundred thousand dollars (\$100,000) liability per occurrence. ~~a certificate of insurance or other evidence of financial responsibility that:~~

(1) ~~is approved by the board; and~~

(2) ~~meets the following requirements:~~

(A) ~~Is issued by an insurance company or other legal entity authorized to transact business in Indiana.~~

(B) ~~Provides for general liability coverage of at least one hundred thousand dollars (\$100,000).~~

(C) ~~Lists the state as an additional insured.~~

(D) ~~States that cancellation and nonrenewal of the underlying policy or other evidence of financial responsibility is not effective until the board receives written notice at least ten (10) days before the cancellation or nonrenewal of the policy.~~

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(E) Contains any other terms and conditions established by the board.

(b) An applicant for a private detective license who employs less than fifteen (15) others must do one (1) of the following:

(1) Post with the board a surety bond that:

(A) names the applicant as the principal;

(B) obligates the surety in the amount of seven thousand dollars (\$7,000) to the board in favor of the state;

(C) requires the principal, if granted a license, to conduct the business of private detective faithfully and honestly and to observe all Indiana statutes; and

(D) authorizes the board to declare the bond in default and to levy against the surety and the principal under the bond for the payment of actual damages to any person who is harmed as a result of the principal's violation of the requirements described in clause (C);

(2) Submit proof to the board that the applicant is insured by an insurance company authorized to do business in Indiana for the amount of one hundred thousand dollars (\$100,000) per liability occurrence:

(c) (b) The insurance referred to in subsections subsection (a): and (b)(2):

(1) must cover damages that the insured becomes legally obligated to pay for bodily injury or property damage proximately caused to a person by the insured in conducting business as a private ~~detective; investigator firm;~~

(2) must include coverage for:

(A) false arrest, detention, or imprisonment;

(B) malicious prosecution; and

(C) wrongful entry or eviction, or other invasion of the right of private occupancy; and

(3) may not exclude coverage for an intentional act taken by or at the direction of the insured that results in bodily injury, if such injury arises solely from the use of reasonable force for the purpose of protecting persons or property.

(d) (c) Every If a licensee who employs at least fifteen (15) others shall at all times maintain in force the insurance referred to in subsection (a): Upon a licensee's failure fails to comply with this subsection; the insurance requirements of this section, the license of the licensee shall be suspended. A license suspended under this subsection may not be reinstated until an application for reinstatement of the license, in the form prescribed by the board, is filed with the

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board, together with proper proof of insurance.

(e) Every licensee who employs less than fifteen (15) others shall at all times maintain in force a surety bond on file with the board under subsection (b)(1) or maintain in force the insurance provided by subsection (b)(2). Upon a licensee's failure to comply with this subsection, the license of the licensee shall be suspended. A license suspended under this subsection may not be reinstated until an application for the license, in the form prescribed by the board, is filed with the board, together with proper proof of insurance or surety bond.

(f) (d) The board may deny an application for the reinstatement of a license suspended under this section, notwithstanding the applicant's compliance with the insurance or the surety bond requirements of this section for any of the following:

(1) Any reason that would justify a refusal to issue, a suspension, or a revocation of a license.

(2) The performance by the applicant, while the applicant's license was suspended under this section, of any practice for which a license under this chapter is required.

(g) A surety bond posted with the board under this section may be canceled by the surety thirty (30) days after the surety gives the board written notice of its intent to cancel the bond. However, the cancellation of a bond under this subsection does not terminate the liability of the surety on the bond in connection with any action commenced before the cancellation of the bond.

SECTION 22. IC 25-30-1-16, AS AMENDED BY P.L.157-2006, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. (a) Unless a license is renewed, a license and the identification cards of the licensee's employees issued under this chapter ~~expire~~ **expires** on a date specified by the licensing agency under IC 25-1-6-4 and ~~expire~~ **expires biennially every four (4) years** after the initial expiration date. An applicant for renewal shall pay the renewal fee established by the board under IC 25-1-8-2 on or before the renewal date specified by the licensing agency.

(b) If the holder of a license does not renew the license by the date specified by the licensing agency, the license expires and becomes invalid without any action taken by the board.

(c) A licensee desiring a renewal license must:

(1) file an application for renewal at least thirty (30) days before the expiration of the licensee's license on a form as prescribed by the board; and

(2) meet the license renewal requirements determined by the board.

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(~~d~~) (c) A license may be reinstated ~~within not later than~~ thirty (30) days after the expiration of the license if the applicant does the following:

(1) Files an application for renewal with the board.

(2) ~~Meets the license requirements determined by the board.~~

(~~3~~) (2) Pays ~~a~~ the renewal fee and restoration fee established under IC 25-1-8-6.

(~~e~~) Employee identification cards issued under this chapter expire at the same time as the license referred to in subsection (a).

SECTION 23. IC 25-30-1-17, AS AMENDED BY P.L.194-2005, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) The board shall charge and the licensing agency shall collect the fees established by the board under IC 25-1-8.

(b) All fees collected under this chapter shall go into the general fund and shall be accounted for by the licensing agency.

(c) All fees collected under this chapter are nontransferable and nonrefundable.

SECTION 24. IC 25-30-1-19.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 19.5. A person ~~who~~ **that** files a civil action to collect fees for performing acts regulated by this chapter must allege and prove that when the action arose the person was not in violation of section 22 of this chapter.

SECTION 25. IC 25-30-1-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 21. (a) ~~Except as provided in subsection (b);~~ A person who violates this chapter commits a Class A misdemeanor.

(b) A person ~~who violates this chapter if the person~~ is not exempt under section 5 of this chapter, ~~who~~ does not have a private ~~detective investigator firm~~ license, and ~~who: knowingly or intentionally:~~

(1) engages in the private ~~detective investigator firm~~ business;

(2) solicits or advertises for business as a private ~~detective; investigator firm;~~ or

(3) in any way represents to be a private ~~detective; investigator firm.~~

~~commits a Class A infraction:~~

(c) In addition to any other fine imposed on the person, the court shall fine the person convicted of an offense under subsection (b) the amount of compensation earned by the person in the commission of the offense. Notwithstanding ~~IC 34-28-5-4(a); IC 35-50-3-2,~~ the total fine imposed under this section may exceed ten thousand dollars (\$10,000) if necessary to comply with this subsection.

(d) Each transaction under subsection (b) constitutes a separate

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offense.

(e) A complaint for a violation of this chapter or for an injunction under section 22 of this chapter is sufficient if the complaint alleges that a person on a specific day in a specific county:

(1) ~~acted engages in business~~ as a private ~~detective~~; **investigator firm**;

(2) solicited or advertised for business as a private ~~detective~~; **investigator firm**; or

(3) represented to be a private ~~detective~~; **investigator firm**; without a private ~~detective investigator firm~~ license.

(f) A person who knowingly or intentionally fails or refuses to surrender a private investigator firm license issued under this chapter when the license is revoked by the board commits a Class A misdemeanor.

SECTION 26. IC 25-30-1-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 22. (a) If the board determines that a person ~~who~~ **that** is not licensed or exempt under this chapter is engaged in activities that require a license, the board may send a notice of hearing requiring the person to show cause why the challenged activities are not a violation of this chapter. The notice must be in writing and include the following information:

(1) The date, time, and place of the hearing.

(2) The alleged violation.

(3) That the affected person or the person's representative may present evidence concerning the alleged violation.

(b) A hearing conducted under this section must comply with the requirements under IC 4-21.5.

(c) If the board after a hearing determines that the activities that the person engaged in are subject to licensing under this chapter, the board may issue a cease and desist order that describes the person and activities that are the subject of the order.

(d) A cease and desist order issued under this section is enforceable in the circuit courts of Indiana.

(e) The attorney general, the board, or the prosecuting attorney of any county where a violation of section 21(b) of this chapter occurs may file an action in the name of the state for an injunction.

SECTION 27. IC 25-30-1.3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 1.3. Security Guard Agency Licensing

Sec. 1. As used in this chapter, "board" refers to the private investigator and security guard licensing board established under

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1 **IC 25-30-1-5.2.**

2 **Sec. 2. As used in this chapter, "business entity" means a firm,**
 3 **a company, an association, an organization, a partnership, or a**
 4 **corporation.**

5 **Sec. 3. As used in this chapter, "licensee" means a person**
 6 **licensed as a security guard agency under this chapter.**

7 **Sec. 4. As used in this chapter, "person" means an individual, a**
 8 **firm, a company, an association, an organization, a partnership, or**
 9 **a corporation.**

10 **Sec. 5. As used in this chapter, "security guard agency" means**
 11 **a person that is in the business of providing, for hire or reward, a**
 12 **guard or other individual to:**

- 13 (1) protect persons or property; or
 14 (2) prevent the misappropriation or concealment of goods,
 15 wares and merchandise, money, bonds, stocks, choses in
 16 action, notes, or other valuable documents or papers.

17 **Sec. 6. This chapter does not apply to the following:**

- 18 (1) A law enforcement officer of the United States, a state, or
 19 a political subdivision of a state to the extent that the officer
 20 is engaged in the performance of the officer's official duties.
 21 (2) An employee to the extent that the employee is hired for
 22 the purpose of guarding and protecting the properties of
 23 railroad companies and is licensed as a railroad policeman
 24 under IC 8-3-17, to the extent that the employee is engaged in
 25 the performance of the employee's official duties.

26 **Sec. 7. A person may not:**

- 27 (1) engage in business as a security guard agency;
 28 (2) solicit or advertise for business as a security guard agency;
 29 or
 30 (3) represent or hold a person out as a security guard agency;

31 **unless the person is licensed as a security guard agency under this**
 32 **chapter.**

33 **Sec. 8. (a) A person must apply for a license as a security guard**
 34 **agency by submitting the following to the board:**

- 35 (1) An application as described under subsection (b) and in a
 36 form prescribed by the board.

- 37 (2) A licensing fee established by the board under IC 25-1-8.

38 **(b) The application for licensure as a security guard agency**
 39 **must include the following:**

- 40 (1) The full name and business address, including street
 41 address, of the applicant.

- 42 (2) The name under which the applicant intends to do business

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as a security guard agency.

(3) The full name and residential address of each of the security guard agency's members, partners, officers, directors, and managers.

(4) Proof of insurance required under section 16 of this chapter.

(5) Other information, evidence, statements, or documents required by the board.

Sec. 9. (a) The board may not issue a security guard agency license to an individual unless the individual:

(1) is at least twenty-one (21) years of age; and

(2) demonstrates the necessary knowledge and skills, as determined by the board, to conduct a security guard agency competently.

(b) The board may not issue a security guard agency license to a business entity unless:

(1) one (1) officer in the case of a corporation; or

(2) one (1) partner in the case of a partnership;

of the business entity meets the personal qualifications as set out in subsection (a), unless otherwise provided.

(c) The board may deny a license unless the applicant makes a showing satisfactory to the board that the applicant, or if a business entity, that the officer or partner in subsection (b):

(1) has not committed an act, which, if committed by a licensee would be grounds for the suspension or revocation of a license under this chapter;

(2) has not been convicted of a:

(A) felony; or

(B) misdemeanor that has a direct bearing upon the applicant's ability to practice competently;

(3) has not been refused a license under this chapter or had a license revoked;

(4) has not while unlicensed, committed, or aided and abetted commission of an act for which a license is required by this chapter;

(5) is not on probation or parole; or

(6) is not being sought under an active warrant against the applicant, officer, or partner.

Sec. 10. If a change in the ownership of a security guard agency results in the failure to meet the qualifications set forth in section 9 of this chapter:

(1) the license for the security guard agency terminates on the

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1 date the change in ownership is effective; and

2 (2) the security guard agency must file a new application for
3 a license as a security guard agency with the board.

4 Sec. 11. (a) Upon the death of an individual licensed under this
5 chapter, the security guard agency with which the decedent was
6 connected may be carried on for a period of ninety (90) days after
7 the individual's death by the following:

8 (1) In the case of an individual licensee, the surviving spouse,
9 or if there is no surviving spouse, the executor or
10 administrator of the estate of the decedent.

11 (2) In the case of a partner, the surviving partners.

12 (3) In the case of an officer of a business entity, the other
13 officers of the business entity.

14 (b) Upon the authorization of the board, a security guard agency
15 may be carried on for a further period of time when necessary to
16 complete an investigation or assist in litigation pending at the death
17 of the decedent.

18 (c) This section does not authorize the solicitation or acceptance
19 of business after the death of an individual except as provided by
20 this chapter.

21 (d) This section may not be construed to restrict the sale of a
22 security guard agency if the vendee qualifies for a license under
23 this chapter.

24 Sec. 12. (a) A license, when issued, must be in a form determined
25 by the board and must include the following:

26 (1) The full name of the licensee.

27 (2) The number and expiration date of the license.

28 (b) Upon the issuance of a security guard agency license, a
29 pocket card shall be issued without charge to the licensee. If a
30 license is revoked, the person whose license is revoked shall
31 surrender the pocket card and, not later than five (5) days after
32 revocation, shall mail or deliver the pocket card to the board for
33 cancellation.

34 (c) A licensed security guard agency shall, not later than thirty
35 (30) days after a change, notify the board of any changes to the:

36 (1) licensee's address;

37 (2) name under which the licensee does business; or

38 (3) licensee's officers, directors, members, or partners.

39 (d) A license issued under this chapter is not assignable and is
40 personal to the licensee.

41 (e) A licensee shall present, upon the request of any client, a
42 pocket card license that indicates the:

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- (1) license is active; and
- (2) licensee is in good standing.

Sec. 13. (a) A licensee may employ, to assist the licensee in the licensee's business as a security guard agency, as many unlicensed persons as necessary. The licensee is civilly responsible for the good conduct of all employees while the employees are acting on behalf of the licensee.

(b) A licensee shall maintain a record, relative to the licensee's employees, containing the following information:

- (1) A picture taken within thirty (30) days of the date that the employees commences employment with the licensee.
- (2) A full set of fingerprints of both hands of the employees.

(c) A licensee shall provide the board, at the board's request, a roster of all unlicensed persons employed by the security guard agency.

Sec. 14. An advertisement by a licensee soliciting or advertising for business must contain the name and address of the licensee as it appears in the records of the board.

Sec. 15. It is unlawful for a person licensed by any other state to do business in Indiana unless the person is licensed and authorized to do business in Indiana. A person may not do business in Indiana until the person is licensed with the board and meets the requirements for licensees of Indiana. In addition, an out-of-state person must prove to the board that the person is in good standing in the state the person was issued a license.

Sec. 16. (a) An applicant for a security guard agency license must submit to the board a certificate of insurance or other evidence of financial responsibility that:

- (1) is approved by the board; and
- (2) meets the following requirements:
 - (A) Is issued by an insurance company or other legal entity authorized to transact business in Indiana.
 - (B) Provides for general liability coverage of at least one hundred thousand dollars (\$100,000).
 - (C) Lists the state as an additional insured.
 - (D) States that cancellation and nonrenewal of the underlying policy or other evidence of financial responsibility is not effective until the board receives at least ten (10) days prior written notice of the cancellation or nonrenewal of the policy.
 - (E) Contains any other terms and conditions established by the board.

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(b) The insurance referred to in subsection (a):

(1) must cover damages that the insured becomes legally obligated to pay for bodily injury or property damage proximately caused to a person by the insured in conducting business as a security guard agency;

(2) must include coverage for:

(A) false arrest, detention, or imprisonment;

(B) malicious prosecution; and

(C) wrongful entry or eviction or other invasion of the right of private occupancy; and

(3) may not exclude coverage for an intentional act taken by or at the direction of the insured that results in bodily injury, if the injury arises solely from the use of reasonable force to protect persons or property.

(c) If a licensee fails to comply with the insurance requirements of this section, the license of the licensee shall be suspended. A license suspended under this subsection may not be reinstated until an application for reinstatement of the license, in the form prescribed by the board, is filed with the board, together with proper proof of insurance.

(d) The board may deny an application for the reinstatement of a license suspended under this section, notwithstanding the applicant's compliance with the insurance requirements of this section for any of the following:

(1) Any reason that would justify a refusal to issue, a suspension, or a revocation of a license.

(2) The performance by the applicant, while the applicant's license was suspended under this section, of any practice for which a license under this chapter is required.

Sec. 17. (a) Unless a license is renewed, a license issued under this chapter expires on a date specified by the licensing agency under IC 25-1-6-4 and expires every four (4) years after the initial expiration date. An applicant for renewal shall pay the renewal fee established by the board under IC 25-1-8-2 on or before the renewal date specified by the licensing agency.

(b) If the holder of a license does not renew the license by the date specified by the licensing agency, the license expires and becomes invalid without any action taken by the board.

(c) A license may be reinstated within three (3) years after the expiration of the license if the applicant does the following:

(1) Files an application for renewal with the board.

(2) Pays the fees established under IC 25-1-8-6.

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1 **Sec. 18. (a) The board shall charge and the licensing agency**
 2 **shall collect the fees established by the board under IC 25-1-8.**

3 **(b) All fees collected under this chapter shall be deposited in the**
 4 **state general fund and shall be accounted for by the licensing**
 5 **agency.**

6 **(c) All fees collected under this chapter are nontransferable and**
 7 **nonrefundable.**

8 **Sec. 19. (a) The proceedings under this chapter shall be**
 9 **conducted in accordance with IC 4-21.5, and the board has all**
 10 **powers granted under IC 4-21.5.**

11 **(b) The board may impose sanctions against a licensee under**
 12 **IC 25-1-11 if the board determines that the licensee has done any**
 13 **of the following:**

14 **(1) Forcibly and without the consent of the person in lawful**
 15 **possession, entered a building or part of a building.**

16 **(2) Impersonated, or permitted or aided and abetted an**
 17 **employee to impersonate a law enforcement officer, an**
 18 **employee of the United States government, an employee of the**
 19 **state, or an employee of a political subdivision of the state.**

20 **(3) During the period between the expiration of a license for**
 21 **failure to renew within the time fixed by this chapter and the**
 22 **reinstatement of the license, has committed or permitted an**
 23 **employee to commit an act that would be cause for suspension**
 24 **or revocation of a license, or grounds for the denial for the**
 25 **application for a license.**

26 **(4) Committed an act that is ground for a denial for an**
 27 **application for a license under this chapter.**

28 **Sec. 20. This chapter may not be construed to authorize any**
 29 **licensee to carry any weapon.**

30 **Sec. 21. A person that files a civil action to collect fees for**
 31 **performing acts regulated by this chapter must allege and prove**
 32 **that when the action arose the person was not in violation of**
 33 **section 23 of this chapter.**

34 **Sec. 22. A prosecuting attorney to whom the board reports a**
 35 **violation of this chapter shall cause proceedings to be commenced**
 36 **against a person or a business entity violating this chapter and to**
 37 **prosecute the person or the business entity to final termination.**

38 **Sec. 23. (a) A person who recklessly, knowingly, or intentionally**
 39 **violates this chapter commits a Class A misdemeanor.**

40 **(b) A person who is not exempt under section 6 of this chapter,**
 41 **who does not have a security guard agency license, and who**
 42 **recklessly, knowingly, or intentionally:**

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1 (1) engages in business as a security guard agency;
 2 (2) solicits or advertises for business as a security guard
 3 agency; or
 4 (3) in any way represents to be a security guard agency;
 5 commits a Class A misdemeanor.

6 (c) In addition to any other penalty imposed on the person, the
 7 court shall fine a person of an offense under subsection (b) the
 8 amount of compensation earned by the person in the commission
 9 of the offense. Notwithstanding IC 35-50-3-2, the total fine imposed
 10 under this section may exceed ten thousand dollars (\$10,000) if
 11 necessary to comply with this subsection.

12 (d) Each transaction under subsection (b) constitutes a separate
 13 offense.

14 (e) A complaint for a violation of this chapter or for an
 15 injunction under section 24 of this chapter is sufficient if the
 16 complaint alleges that a person or business entity on a specific day
 17 in a specific county:

18 (1) engaged in business as a security guard agency;
 19 (2) solicited or advertised for business as a security guard
 20 agency; or
 21 (3) represented to be a security guard agency;
 22 without a security guard agency license.

23 (f) A person who recklessly, knowingly, or intentionally fails or
 24 refuses to surrender a security guard agency license issued under
 25 this chapter when the license is revoked by action of the board
 26 commits a Class A misdemeanor.

27 Sec. 24. (a) If the board determines that a person that is not
 28 licensed or exempt under this chapter is engaged in activities that
 29 require a license, the board may send a notice of hearing requiring
 30 the person to show cause why the challenged activities are not a
 31 violation of this chapter. The notice must be in writing and include
 32 the following information:

33 (1) The date, time, and place of the hearing.
 34 (2) The alleged violation.
 35 (3) That the affected person or the person's representative
 36 may present evidence concerning the alleged violation.

37 (b) A hearing conducted under this section must comply with
 38 IC 4-21.5.

39 (c) If the board after a hearing determines that the activities
 40 that the person engaged in are subject to licensing under this
 41 chapter, the board may issue a cease and desist order that
 42 describes the person and activities that are the subject of the order.

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(d) A cease and desist order issued under this section is enforceable in the circuit courts of Indiana.

(e) The attorney general, the board, or the prosecuting attorney of any county where a violation of section 23(b) of this chapter occurs may file an action in the name of the state for an injunction.

SECTION 28. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2007]: IC 25-30-1-1.2; IC 25-30-1-5.1.

SECTION 29. [EFFECTIVE JULY 1, 2007] (a) The private detective licensing board is abolished. The powers, rights, obligations, functions, liabilities, and assets of the private detective licensing board as of June 30, 2007, shall be transferred to the private investigator and security guard licensing board, as established by this act on July 1, 2007.

(b) This SECTION expires July 1, 2009.

SECTION 30. [EFFECTIVE JULY 1, 2007] (a) Notwithstanding IC 25-30-1-5.2, as added by this act, the initial terms of the members of the private investigator and security guard licensing board are as follows:

(1) The term of a member appointed under IC 25-30-1-5.2(b)(2)(A) and IC 25-30-1-5.2(b)(2)(C), as added by this act, is two (2) years.

(2) The term of a member appointed under IC 25-30-1-5.2(b)(2)(B) and IC 25-30-1-5.2(b)(2)(D), as added by this act, is three (3) years.

(b) This SECTION expires July 1, 2011.

SECTION 31. [EFFECTIVE JULY 1, 2007] (a) The definitions in IC 25-30-1-2 and IC 25-30-1.3-1 through IC 25-30-1.3-5 apply throughout this SECTION.

(b) Notwithstanding IC 25-30-1, as amended by this act, and IC 25-30-1.3, as added by this act, the board may issue a license as a private investigator firm or a security guard agency to a person that:

(1) holds a license as a private detective business under IC 25-30-1, as amended by this act, on June 30, 2007; and

(2) verifies to the board before December 31, 2007, that the person meets the qualifications required to hold a license as a:

(A) private investigator firm under IC 25-30-1; or

(B) security guard agency under IC 25-30-1.3.

(c) This SECTION expires January 1, 2008.

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COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was referred Senate Bill No. 506, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 13, between lines 6 and 7, begin a new line block indented and insert:

"(11) An independent consultant employed by the attorney general under IC 32-34-1-48, to the extent that the independent consultant is engaged in providing services for the attorney general."

Page 22, line 42, after "corporation" insert ".".

and when so amended that said bill do pass.

(Reference is to SB 506 as introduced.)

WYSS, Chairperson

Committee Vote: Yeas 7, Nays 2.

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